

First Nations Oweesta Corporation

A Subsidiary of First Nations Development Institute

Annual Report 2009

Annual Report





2009 Board of Directors

Chair

Michael E. Roberts (*Tlingit*)
President
First Nations Development Institute

Vice Chair

Marguerite Smith (*Shinnecock Tribe*)
Attorney

Kristi Coker (*Citizen Potawatomi*)
Executive Director
Citizen Potawatomi Community Development Corporation

JD Colbert (*Chickasaw/Creek*)
Executive Director
Chickasaw Nation Small Business Development Center

Benny Shendo, Jr. (*Jemez Pueblo*)
Independent Consultant

B. Thomas Vigil (*Jicarilla Apache / Jemez Pueblo*)

Table of Contents

2009 Board of Directors	2
Message from the Chairman	4
Celebrate Progress	5
Celebrating the Success of Native CDFIs	6
Four Bands Community Fund	7
Navajo Partnership for Housing	7
Four Directions Development Corporation	8
Cook Inlet Lending Center	9
Council For Native Hawaiian Advancement	10
Celebrate Evolution	10
Celebrate History	14
2009 First Nations Oweesta Staff	15
Credits	15



Message from the Chairman

Creating and sustaining Native community development financial institutions (CDFIs) has proven to be an effective strategy in the development of local economies by enabling entrepreneurs and businesses, increasing homeownership, and empowering community members to reach their financial goals.

As such, it has been First Nations Oweesta Corporation's 10-year mission to unleash entrepreneurship in Native communities by nurturing an enabling environment for the growth of CDFIs that support small and medium-sized enterprises on American Indian reservations, which in turn creates new wealth opportunities for, and increases the assets of, community members.

First Nations Oweesta is poised for a healthy future, and is clearly focused on three key initiatives to increase public knowledge, institutional development and capital access for wealth creation in Native communities:

- Financial Education & Asset Building and Enterprise & Entrepreneurship Development: Within its focus of building and sustaining healthy Native CDFIs, the certified instructors at First Nations Oweesta deliver innovative and culturally-appropriate training programs with customized follow-up assistance to help CDFIs establish and sustain successful financial education and entrepreneurship development programs.

In addition to these areas of focus, First Nations Oweesta and its parent company, First Nations Development Institute, serve as a powerful voice for Native communities in informing policy that supports the development and sustainability of Native CDFIs. First Nations Oweesta is able to affect change at tribal, state and federal levels to further the efforts of the Native CDFI field, which in turn contributes greatly to the re-creation of healthy, thriving Indian economies.

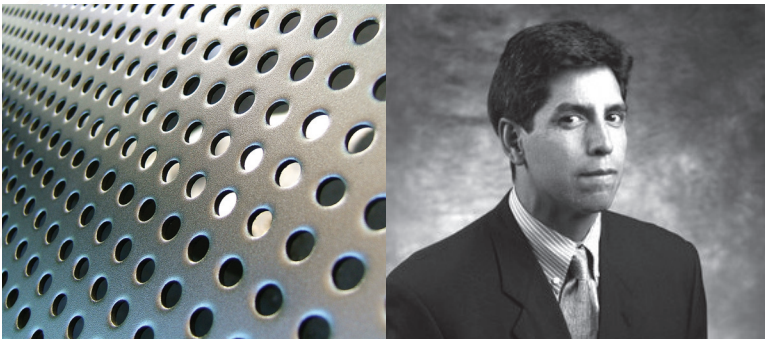
Here at First Nations Oweesta, we celebrate 10 years of success. We have had a front row seat from which to watch, and at times participate in, the growth of the Native CDFI field, from two at the inception of First Nations Oweesta, to a field approaching 60 today. We know that there is much work to be done in: Providing capitalization and technical assistance to the established and emerging Native CDFIs; Promoting the economic self-reliance of individuals and families through financial literacy and entrepreneurial education and training; and Strengthening reservation-based financial institutions that allow individual community members access to finance and financial services, as well as the skills and knowledge they need to innovate and grow.

We know that this will ultimately lead to the expansion of economic liberty in American Indian communities.

Gunalchéesh (Thank You),



Michael E. Roberts
President
First Nations Development Institute & First Nations Oweesta Corporation



- Lending & Capitalization: First Nations Oweesta's genesis 10 years ago came from its parent company First Nations Development Institute's recognition and understanding of the way in which the lack of capital and financial infrastructure was holding back economic development in Native communities. Investing capital is a priority for First Nations Oweesta in its investment into Native CDFIs and the communities they serve.
- Institution Development: First Nations Oweesta offers expert training and customized follow-up assistance to not only help Native communities assess the demand for starting a Native CDFI, but also take them, step-by-step, through the process of establishing one of these proven and innovative financial institutions. Creating a Native CDFI is becoming an increasingly popular way for Native people to build stronger, more self-sufficient communities and nations.

Celebrate Today

This year First Nations Oweesta Corporation (First Nations Oweesta) is celebrating ten years of investing in Native opportunity! For several decades Native communities have endured some of the nation's poorest economic conditions, however, First Nations Oweesta's vision is for all Native communities to establish sustainable, vibrant, and healthy economies. Self-sufficiency, wise resource management, and entrepreneurship are all traditional Native values, and over the last decade First Nations Oweesta has been leading the movement to renew these values in today's modern Native communities. We invite you to celebrate with us as these traditional Native values re-emerge in today's Native communities.

Celebrate Progress

By providing a comprehensive set of community development products and services, First Nations Oweesta guides and empowers people as they change the economic landscape of Native communities across the nation. Native CDFIs, financial education and asset building programs, and enterprise and entrepreneurship systems support, encourage, and serve as the catalyst for this incredible transformation. Through this holistic approach, First Nations Oweesta and our clients are able to create an environment in which economic growth is possible.

Institution Development

Creating a Native CDFI is becoming an increasingly popular way for Native people to build stronger, more self-sufficient communities and nations. Native CDFIs help to develop local economies by creating entrepreneurs and businesses, increasing homeownership, and empowering community members to reach their financial goals. Native CDFIs provide locally-based access to capital and the necessary capacity building services to bring permanent and positive change to Native economies.

Over the last decade, First Nations Oweesta has been working to increase the number of CDFIs in Native communities. At its inception in 1999, only two Native CDFIs were in existence; today nearly 60 are operating across the country.

Financial Education & Asset Building

Financial education programs in Native communities strengthen local economies one individual at a time. By teaching Native community members how to manage their assets, save towards financial goals, take advantage of resources, and avoid predatory lenders, financial education programs contribute to the development of sustainable economies and healthy communities.

Since its inception, 630 Native organizations have completed First Nations Oweesta's financial education instructor training program, 227 have completed IDA training, and more than 450 have participated in earned income tax credit (EITC) or other asset building training.



Enterprise & Entrepreneurship Development

Creating strong and effective enterprise and entrepreneurship systems in Native communities is essential to building a healthy, thriving economy. By establishing, expanding, and improving local systems and infrastructure, Native communities create an environment that supports tribal enterprise and private entrepreneurship, allowing businesses and the private sector to flourish.

Since establishing the Enterprise & Entrepreneurship Development Department in 2004, First Nations Oweesta has provided enterprise and entrepreneurship training to more than 225 tribes and organizations.

Lending & Capitalization

First Nations Oweesta understands how crucial investment capital is to a Native CDFI; therefore investing in the communities we serve is a priority. We make every effort to provide loans to qualifying organizations, enabling them to reinvest the capital back into their communities and/or to use as leverage to attract other capital. First Nations Oweesta makes loans to various types of Native CDFIs such as small business loan funds and credit associations that make consumer, business and housing loans. We also lend to housing loan funds that use the money to capitalize construction loan funds or for mortgage lending.

To date, First Nations Oweesta has disbursed 22 loans to 14 organizations, totaling \$3,040,000.

Research, Policy & Advocacy

First Nations Oweesta collaborates on research studies that focus on identifying and mitigating barriers to Native control of and access to financial assets. Our national voice works to create and retain the integrity of policy favorable to building assets in Native communities.

First Nations Oweesta, along with partner organizations, has released four research papers revealing that access to capital, training and technical assistance, and financial education are critical elements in developing healthy Native economies.

Through empowerment, respect, and collaboration, First Nations Oweesta affects people, organizations, communities and nations. The true rewards of our work can be seen at the local level in the work that our clients do.

Celebrating the Success of Native CDFIs

In celebration of the tremendous growth and success of Native CDFIs, First Nations Oweesta is sharing five organizational stories of remarkable Native CDFIs that highlight our organization's key initiatives: 1) Institution Development; 2) Financial Education & Asset Building; 3) Enterprise & Entrepreneurship Development; 4) Lending & Capitalization and 5) Research, Policy & Advocacy. Join us in applauding the amazing work of these Native CDFIs!



Four Bands Community Fund

Four Bands Community Fund, a Native CDFI, is located in Eagle Butte, South Dakota on the Cheyenne River Sioux reservation which encompasses nearly three million acres in Ziebach and Dewey counties in North Central South Dakota and is home to four bands: “Mnikoju” Planters by the Water, “Owohe Nupa” Two Kettle, “Itazipa Cola” Without Bows, and “Siha Sapa” Black Foot. Both Ziebach and Dewey Counties are consistently ranked in the bottom 1% economically of the 3,142 counties in the United States. Over 40% of the population in this area lives below the poverty line and the unemployment rate averages 13%.

Founded in 2000, Four Bands Community Fund’s mission is to assist entrepreneurs of the Cheyenne River Sioux reservation with training, business incubation, and access to capital, encouraging economic development and enhancing the quality of life for all communities and residents of the reservation. Over the last decade Four Bands Community Fund has grown to become the leading organization on the Cheyenne River Indian reservation in the areas of small business training and lending, entrepreneurship education, and financial literacy.

This organization has had tremendous impact in their community through the Making Waves campaign launched in 2008 to replace poverty and unemployment with financial literacy and entrepreneurship. Four Bands Community Fund crafted this project to determine the best way to affect the next seven generations so today’s children do not have to suffer in the same poverty conditions the generations before did. The Making Waves Toolkit was created for teachers to implement basic financial concepts into their existing curriculum and helps youth to understand what to do with money. This innovative initiative creates a sense of financial awareness in the community and encourages entrepreneurship.



Institution Development

The Cornerstone of Native Economic Development

Creating a Native CDFI is becoming an increasingly popular way for Native people to build stronger, more self-sufficient communities and nations. Native CDFIs help to develop local economies by creating entrepreneurs and businesses, increasing homeownership, and empowering community members to reach their financial goals. Native CDFIs provide locally-based access to capital and the necessary capacity building services to bring permanent and positive change to Native economies. Over the last decade, First Nations Oweesta has been working to increase the number of CDFIs in Native communities. At its inception in 1999, only two Native CDFIs were in existence; today nearly 60 are operating across the country.

Navajo Partnership for Housing

The Navajo Partnership for Housing is an established and successful Native CDFI that has been offering a variety of products and services to the Navajo Nation and surrounding areas since its inception in 1997. It currently offers loan products for new construction, renovation, mortgages, and down payment and closing cost assistance. In addition, the organization facilitates an Individual Development Account (IDA) program and financial education classes for basic financial management, homebuyer education, post-purchase counseling and credit counseling.

The Navajo Nation has the largest reservation in the United States, covering 26,000 square miles (17 million acres) in northeastern Arizona, the southeastern portion of Utah, and northwestern New Mexico. The majority of the Navajo Nation encompasses very remote and rural areas, however, it also borders urban areas, such as Maricopa County where the city of Phoenix is located. 78.5% of the residents in Apache County are Navajo tribal members, the highest of the 11 counties on the reservation. Apache County’s per capita income is a mere \$8,986, the lowest on the reservation.

As in most reservation communities, the dream of homeownership is impossible due to barriers imposed by trust land status. The Navajo Partnership for Housing has developed a process to overcome these barriers so that Navajo tribal members can realize their homeownership dreams. Ron Maldonado was one of the first to go through this process. Before coming to Navajo Partnership for Housing, he and his wife had explored several options through banks and contractors to build a home of their own, but they were told there was no possible way to make it happen. The Navajo Partnership for Housing helped them every step of the way, and Ron and his wife walked through the arduous process of becoming homeowners on the Navajo reservation. In addition to facilitating homeownership preparedness courses, Navajo Partnership for Housing also served as a liaison between Ron and the bank that provided his first mortgage. Ron and his family enjoy the stability that owning a home gives them.

Financial Education & Asset Building *Programs that Change Lives of Natives*

Financial education programs in Native communities strengthen local economies one individual at a time. By teaching Native community members how to manage their assets, save towards financial goals, take advantage of resources, and avoid predatory lenders, financial education programs contribute to the development of sustainable economies and healthy communities.

Since its inception, 630 Native organizations have completed First Nations Oweesta's financial education instructor training program, 227 have completed IDA training, and more than 450 have participated in EITC or other asset building training.



Four Directions Development Corporation

Four Directions Development Corporation is a nonprofit community development corporation and certified Native CDFI established in March of 2001. Four Directions Development Corporation is located in Orono, Maine and serves the Passamaquoddy Tribe, the Penobscot Indian Nation, the Houlton Band of Maliseet Indians, and the Aroostook Band of Micmac Indians. Most tribal members and territories are concentrated in Aroostook, Penobscot, and Washington counties, some of the state's poorest and most remote places with an average unemployment rate of 10 percent. Already limited in opportunities for home ownership and self-employment, these areas are further constrained by tribal land restrictions and the low financial literacy of some tribal members.

The mission of the Four Directions Development Corporation is to improve the social and economic conditions of the tribal members of the four Maine tribes by investing in affordable housing, tribal business ventures, and small and medium size businesses. Their goals are to:

- Increase homeownership among tribal members
- Improve the quality of housing for Native peoples
- Increase the number of Native-owned businesses
- Raise the levels of financial literacy among tribal members
- Build the business skills of Native entrepreneurs
- Attract and leverage capital to Indian Country

As part of their strategy to achieve these goals, Four Directions developed the Wabanaki Entrepreneurial Initiative. This initiative includes a business directory, a cultural tourism center, and a business incubator. The business incubator will support small and emerging Native American businesses and provide business expertise through mentoring and technical assistance.

Four Directions client and Penobscot tribal member, Natalie Michelle, plans to be one of the

first entrepreneurs to take advantage of the business incubator. Natalie started a home-based health and beauty product line using Native herbs and plant recipes passed down from her grandmother. The incubator, along with customized technical assistance from Four Directions, will bring her business to the next level. Through the Wabanaki Initiative, Natalie will have manufacturing capabilities and will be able to market her products on a national basis.

Enterprise & Entrepreneurship Development *A Foundation For Thriving Economies*

Creating strong and effective enterprise and entrepreneurship systems in Native communities is essential to building a healthy, thriving economy. By establishing, expanding, and improving local systems and infrastructure, Native communities create an environment that supports tribal enterprise and private entrepreneurship, allowing businesses and the private sector to flourish.

Since establishing the Enterprise & Entrepreneurship Development department in 2004, First Nations Oweesta has provided enterprise and entrepreneurship training to more than 225 tribes and organizations.

Cook Inlet Lending Center

Cook Inlet Lending Center, a newly-certified Native CDFI located in Anchorage, Alaska, promotes community and economic development throughout south central Alaska by the provision of lending services and products and increased access to credit markets, particularly for low and moderate income families, individuals, and minorities. Its primary services include second mortgages, down payment assistance and financial counseling. Cook Inlet Lending Center serves all residents of the Cook Inlet Region, and 80% of their clients are Alaska Natives and Native Americans.



Alaska Natives endure some of the most extreme living conditions in the United States. Besides the subarctic climate, Alaska has limited transportation infrastructure and many of the smaller towns are inaccessible by roadway. In addition to the obvious challenges this causes, rural Alaska suffers from extremely high prices for food and consumer goods compared to the rest of the country. According to the 2000 Census 19.5% of Alaska Natives live below the poverty line. This was grossly demonstrated in an Anchorage community called Mountain View by the dilapidated housing and sub-standard living conditions of the residents.

Cook Inlet Lending Center identified Mountain View as an investment opportunity. Through a neighborhood revitalization project, the organization provides financing to homebuyers that would not normally qualify for traditional mortgage loans. Heather Atkinson, Yupik Eskimo, is a single mother with four children who had been sharing a rental home with a roommate. She had always dreamed of having a permanent home where she could raise her children, but never thought it possible until she came in contact with Cook Inlet Lending Center. Cook Inlet not only provided Heather with a mortgage loan, but helped her with budgeting and homeowner preparedness classes to ensure her success as a homeowner. Heather and her children enjoy the sense of community that has developed in the revitalized Mountain View neighborhood.

Lending & Capitalization

Access to Capital Creates Opportunity

First Nations Oweesta understands how crucial investment capital is to a Native CDFI; therefore investing in the communities we serve is a priority of the organization. We make every effort to provide loans to qualifying organizations, enabling them to reinvest the capital back into their communities and/or to use as leverage to attract other capital. First Nations Oweesta makes loans to various types of Native CDFIs such as small business loan funds and credit associations that make consumer, business and housing loans. We also lend to housing loan funds that use the money to capitalize construction loan funds or for mortgage lending.

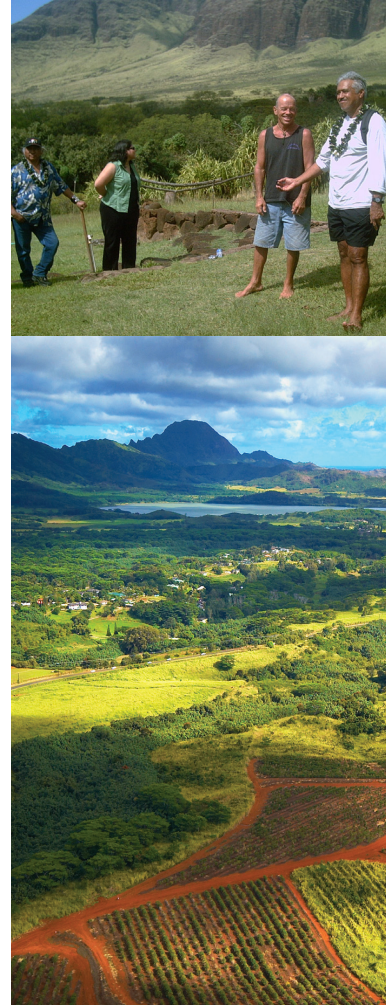
To date, First Nations Oweesta has disbursed 22 loans to 14 organizations, totaling \$3,040,000.

Council For Native Hawaiian Advancement

Founded in 2001, the Council for Native Hawaiian Advancement is a national nonprofit organization and Native CDFI dedicated to capacity building and community development programming in Native communities in Hawaii and the Pacific. The Council for Native Hawaiian Advancement is one of the largest national organizations serving Native Hawaiians. Its mission is to enhance the cultural, economic, and community development of Native Hawaiians and to support the capacity of community-based organizations that contribute to the well-being of the Hawaiian Islands and its people.

Native Hawaiians, like Native Americans living on the Mainland, face lower income levels and higher rates of poverty than the majority of the population in the United States. According to 2000 US Census data the per capita income of Native Hawaiians is \$15,554, compared to \$21,587 for the total population. In addition, 14.1% of the Native Hawaiian population lives below the poverty line while the national average is 12.4%. Many creative solutions to the barriers of unemployment and poverty in Native Hawaiian communities stem from the meetings of the Native Hawaiian Policy Center. Through truly innovative products, the Council for Native Hawaiian Advancement has created opportunity where there once was none.

The Council for Native Hawaiian Advancement is using New Markets Tax Credits to inject capital into communities that did not have much existing investment. Through this exciting program, the Council for Native Hawaiian Advancement is now looking to place significant investments into five charter schools in Native Hawaiian communities for expansions, improvements, and green technology. This work will end up touching the lives of more than 4,000 students.



Research, Policy & Advocacy

Forging New Nation-to-Nation Relationships

First Nations Oweesta serves as a voice for Native communities to help inform policy that supports Native community development. By speaking out on relevant issues, we are able to affect change at state and federal levels to further not only our efforts, but the efforts of our clients to create healthy, thriving local economies. We encourage Native communities to join us in our advocacy work. It is within unity that we will find strength in our collective voices.

Celebrate Evolution

Not only have Native communities been changing over the last decade, but First Nations Oweesta itself has been evolving into the leading Native community development organization. As we grow and change, it is important to remember where we came from and how we got to where we are today. Reflecting upon our journey of the last ten years, we now celebrate our evolution.

In 1986, First Nations Development Institute (FNDI) established the First Nations Oweesta Program. FNDI created First Nations Oweesta because of its early work with alternative credit organizations to address the critical lack of credit and finance in American Indian communities. This work allowed First Nations Development Institute to access the emerging CDFI network, which eventually was convened to work on President Clinton's legislation for community development financial institutions. FNDI was extended an invitation to the CDFI coalition that authored much of the CDFI Act that President Clinton signed into law in 1994. Key to FNDI's participation was the successful inclusion of American Indian-specific language in the Community Development Financial Institution Fund legislation. And while this important participation ultimately led to specific Native American allocations in the CDFI Fund, it did not create a natural vehicle by which Indian Country could access these funds and the training and technical assistance needed for the industry to grow.

In light of this challenge, in 1999, FNDI's Board of Directors incorporated First Nations Oweesta Corporation, and First Nations Development Institute became the sole member owner. This allowed for First Nations Oweesta as a subsidiary to benefit from First Nations Development Institute's established brand name, and to gain instant credibility in Indian Country and among the philanthropic community. Two purposes were served: expediency and efficiency of resources, but equally important, preservation of FNDI's mission to allow access to capital in Native American reservation communities. In addition to helping First Nations Oweesta quickly grow, the board of First Nations Development Institute transferred a pool of resources from socially responsible lenders that guaranteed \$1 million in program-related investment and still today represents a substantial portion of First Nations Oweesta Corporation's capital lending pool.

Based on the investments of First Nations' board, First Nations Oweesta worked to develop alternative financing access for Native entrepreneurs, homebuyers, and tribal businesses, as well as create and fund Native financial institutions that would work directly with community members. In this new form, First Nations Oweesta began an aggressive movement to increase the number of Native CDFIs; at this time only two certified Native CDFIs were in existence. Our small staff of two began flying around the country, guiding Native groups as they nurtured and grew their emerging CDFIs. Even then we recognized that Native CDFIs, by providing access to capital and development services, are a crucial component in developing an environment for economic growth.

In 2000, First Nations Oweesta reached a major milestone in our development and became the first and only certified national Native CDFI intermediary. As First Nations Oweesta was gaining momentum, the CDFI Fund published the Native American Lending Study in 2001. This pivotal document identified 17 major barriers to economic development in Native communities and offered a variety of recommendations to address those barriers. The study revealed an astounding 86% of Native communities lacked a single financial institution within their borders, and it reported that the investment gap between Native economies and the United States overall totaled \$44 billion. The Native American Lending Study has since served as the foundation for much of First Nations Oweesta's work and the growth of the Native economic development movement as a whole.



LEGAL INFRASTRUCTURE	GOVERNMENT OPERATIONS	ECONOMIC	FINANCIAL AND PHYSICAL INFRASTRUCTURE	EDUCATIONAL AND CULTURAL
<ul style="list-style-type: none"> Inadequate Tribal Commercial Law and Regulations. 	<ul style="list-style-type: none"> Cumbersome, conflicting, or ineffective Federal or state programs and regulations. Inflexible banking regulations. Uncertainty generated by changes in tribal government leadership. 	<ul style="list-style-type: none"> Limited use of trust land as collateral. Lack of capital, collateral, and/or credit histories of Native Americans on Indian lands and Native Hawaiians. Negligible economic base on Indian lands. Lack of networking of Native-owned businesses with equity investors. 	<ul style="list-style-type: none"> Lack of financial institutions on or near Indian lands or Native Hawaiian communities. Lack of physical and telecommunications infrastructure on Indian lands or Hawaiian homelands. 	<ul style="list-style-type: none"> Lack of knowledge or experience with the financial world on the part of tribes and individual Native Americans and Native Hawaiians. Lack of technical assistance resources. Failure of lenders and investors to understand tribal government or legal systems. Poor understanding of tribal sovereignty and sovereign immunity. Historical absence of trust between tribes and banks. Differences between Native American and Native Hawaiian cultures and the banking and investor cultures. Discrimination against and/or stereotyping of Native American and Native Hawaiian communities.
<ul style="list-style-type: none"> Enhance the tribal legal infrastructure. 	<ul style="list-style-type: none"> Improve tribal planning process and structure. Separate the goals and management of tribal government from those of tribal business. Strengthen tribal Courts. Streamline and improve the efficiency and effectiveness of Federal and state programs for Native Americans and Native Hawaiians. 	<ul style="list-style-type: none"> Create alternative collateral options for trust land. Develop ways to access debt and equity capital on Indian lands and Hawaiian home lands. Increase equity investment on Indian lands and Hawaiian home lands. Establish a Native American and Native Hawaiian equity fund. 	<ul style="list-style-type: none"> Increase the number of financial institutions on or near Indian lands and Hawaiian home lands. Develop regional financial institutions. Develop financial products and services that will meet the needs of Native American and Native Hawaiian depositors and borrowers. Create innovative strategies to develop Indian lands and Hawaiian home lands infrastructure. 	<ul style="list-style-type: none"> Expand financial education for Native Americans and Native Hawaiians. Develop entrepreneurship programs for Native Americans and Native Hawaiians. Conduct lender and investor education. Expand technical assistance.
<ul style="list-style-type: none"> First Nations Oweesta's Enterprise & Entrepreneurship Development Department utilizes the Native Enterprise & Entrepreneurship Development model to address seven sectors of economic systems, including the tribal and business sector. 	<ul style="list-style-type: none"> First Nations Oweesta's Institution Development Department works to increase the number of Native CDFIs, specialized financial institutions that offer more flexible rates and terms than traditional financial institutions. The Institution Development Department stresses to clients the importance of establishing the CDFI as an independent entity, separate from the tribal government with the capacity to operate and make decisions apart from political influences. The Institution Development Department encourages clients to establish goals and objectives that are aligned with the overall community's vision for economic development. Native CDFIs who have done this are more successful in gaining the support of the tribe. The Enterprise & Entrepreneurship Development Department helps clients to establish systems that support entrepreneurship, including adopting commercial codes and expanding the capacity of legal and court systems. 	<ul style="list-style-type: none"> The Institution Development Department works to create CDFIs in Native communities, thus creating access to capital for homeownership, business startup, or other purchases. First Nations Oweesta's Financial Education & Asset Building Department educates on the importance of building credit to achieve financial goals. The Enterprise & Entrepreneurship Department helps establish systems to support the development of an economic base in Native communities. First Nations Oweesta's Lending & Capitalization Department provides low-interest loans to qualified Native CDFIs and Native Financial Institutions to invest back into their communities or use as leverage to attract more capital. 	<ul style="list-style-type: none"> The Institution Development Department works to increase the number of CDFIs in Native communities. The Institution Development Department conducts market studies for new and emerging CDFIs in order for these institutions to develop financial products and services that will most appropriately meet the needs of community members. The Enterprise & Entrepreneurship Development Department addresses seven sectors of economic systems, including the development infrastructure. 	<ul style="list-style-type: none"> The Financial Education & Asset Building Department focuses on establishing culturally-appropriate financial education programs to increase the financial skills of individuals in Native communities and to further enhance economic development efforts. The Enterprise & Entrepreneurship Development Department works to increase entrepreneurship in Native communities. The Institution Development Department helps to establish Native CDFIs, critical elements in building Native economies that provide technical assistance to individual community members. The Enterprise & Entrepreneurship Development Department helps tribes to adapt legal codes that are recognized by mainstream financial institutions, thus creating a more attractive environment for the business sector to grow. <p>First Nations Oweesta facilitates Our Native Circle (www.ournativecircle.org), the online Native community development resource center that provides valuable information resources for Native community development practitioners as well as opportunities for peer networking.</p>

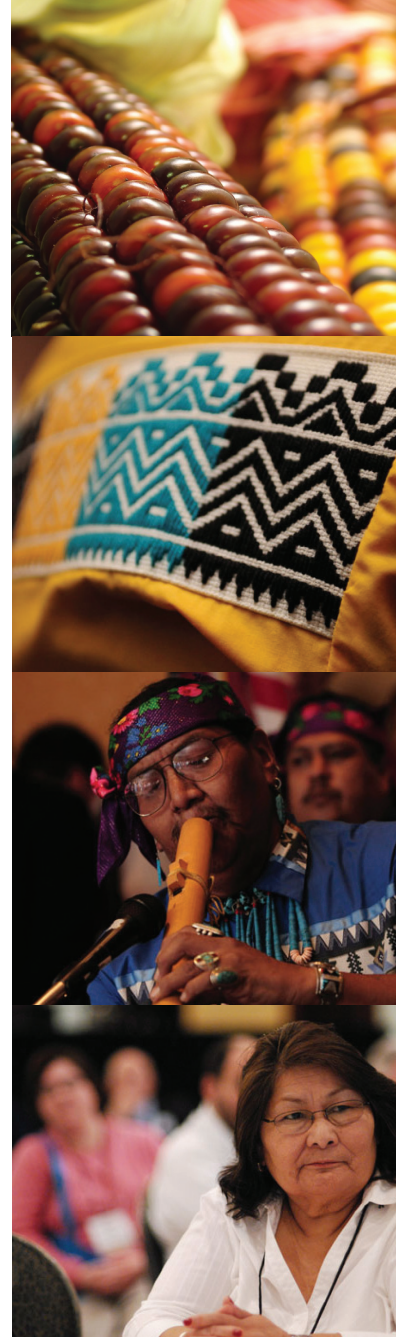
As more and more emerging CDFIs popped up across the country, we saw a greater need within these groups to develop and deliver financial education programs. In turn, First Nations Oweesta began its Native financial education instructor certification program in 2001. First Nations Oweesta continues to use *Building Native Communities*, a culturally-appropriate curriculum that teaches how to apply traditional Native values to the management of today's modern resource – money.

Financial education programs are key elements, not only in successfully operating a Native CDFI but in promoting economic development. Research has shown lower delinquency rates in lenders who have received financial counseling and that Native people who possess an understanding of sound financial principles and have made a commitment to save money are more likely to develop strategies to grow their wealth. While financial education programs are a great way for CDFIs to mitigate risk, more importantly these programs have a ripple-effect in the larger community's economic development by empowering one individual at a time to take control of their assets.

In response to the Native American Lending Study, the CDFI Fund established the Native American Initiatives program along with Native-specific funding in 2002. Prior to the establishment of this program, Native CDFIs received funds through the CDFI Fund awards that targeted all CDFIs, Native and non-Native. This program, which evolved into what is known today as the Native American CDFI Assistance (NACA) Program, recognized the unique set of circumstances that Native communities face in spurring economic development and created greater opportunity for institutions to develop and expand. Through the NACA Program, the CDFI Fund provides funding to build the community development capacity of certified Native CDFIs, emerging Native CDFIs, and sponsoring entities, and to increase access to capital in Native communities.

With First Nations Oweesta at the forefront, the Native economic development movement gained momentum. Over the next few years we launched several initiatives that support the creation of institutions, establishment of financial education and asset building programs, and development of enterprise and entrepreneurship systems in Native communities. In 2003, we kicked off a major training effort under the Native Communities Financing Initiative, a multi-part training program originally designed to help Native communities develop and expand Native CDFIs. In 2005, we began delivering the Native IDA Initiative, a training program to help Native organizations start, implement, and sustain individual development accounts (IDAs). In 2007, we launched the Native Financial Skills Initiative, based on our existing *Building Native Communities* trainer certification program, and the Native Enterprise & Entrepreneurship Development Initiative to enable Native CDFIs and tribal entities to establish systems that support enterprise and entrepreneurship in their communities. Finally, in 2008, the Native Communities Financing Initiative was expanded to include training specific to developing Native credit unions.

First Nations Oweesta continues to deliver these initiatives through award of federal contracts with the CDFI Fund under the umbrella of their Expanding Native Opportunities Program. This significant monetary investment by the CDFI Fund and the creation of the Expanding Native Opportunities Program skyrocketed the growth of the Native economic development field. Award of these federal contracts secured First Nations Oweesta's position as a leader in the Native economic development movement, formalized our existing training programs, and allowed us to reach a much broader audience at a more frequent rate. Today, First Nations Oweesta has the capacity to affect great change in Native communities all over the country and we are dedicated to executing our mission: to provide opportunities for Native people to develop assets and create wealth by assisting in the establishment of strong, permanent institutions and programs, contributing to economic independence and strengthening sovereignty for all Native communities.



Reflecting on the evolution of our organization and the development of Native economies, we attribute a combination of the ingenuity of Native people, the establishment of our organization with the guidance of our parent company First Nations Development Institute, the publication of the Native American Lending Study, the investments of the CDFI Fund programs, and the dedication of our partner organizations that has contributed to the rapid growth of Native economies over the past decade. We celebrate the process under which we have developed, the progress we have made, and the transformation we have catalyzed to positively affect individual lives.

In 2001, the year before the Native Initiatives were launched by the CDFI Fund, there were 14 certified Native CDFIs. By December 2008, there were 50, a 300 percent increase in the six years since the inception of the Native Initiatives.

Celebrate History

1986

First Nations Development Institute establishes the First Nations Oweesta Program.

1994

The Riegle Community Development and Regulatory Improvement Act of 1994 establishes the CDFI Fund to promote economic revitalization and community development.

1999

The First Nations Oweesta Program is incorporated as First Nations Oweesta Corporation, a wholly-owned subsidiary of First Nations Development Institute, and begins working to increase the number of Native CDFIs.

2002

The CDFI Fund establishes the Native American Initiatives program, which later evolved into what is known today as the Native American CDFI Assistance program, along with a Native-specific funding set-aside.

2003

First Nations Oweesta begins to deliver the Native Communities Financing Initiative, a multi-part training program for developing and expanding Native CDFIs, with Opportunity Finance Network under contract with the CDFI Fund.

2005

First Nations Oweesta launches the Native IDA Initiative, a training program to help Native organizations start, implement, and sustain individual development accounts, in partnership with CFED under contract with the CDFI Fund.

2007

First Nations Oweesta kicks off the Native Financial Skills Initiative.

Under contract with the CDFI Fund, First Nations Oweesta, CFED, and ONABEN, the Native Enterprise & Entrepreneurship Development Initiative is launched to enable Native CDFIs and tribal entities to establish systems that support enterprise and entrepreneurship in their communities.

2008

The Native Communities Financing Initiative expands to include the Native Credit Unions training program.

2009

First Nations Oweesta celebrates 10 years of investing in Native opportunity!



2000

First Nations Oweesta becomes the first and only certified national Native CDFI intermediary, dedicated to providing technical assistance, training, research, and lending for local Native CDFIs and like organizations in all 50 states.

2001

The CDFI Fund publishes the Native American Lending Study which identified 17 major barriers to capital access in Native communities and offers a wide variety of recommendations to address those barriers.

First Nations Oweesta begins a Native financial education instructor certification program utilizing the *Building Native Communities: Financial Skills for Families* curriculum.

2009 First Nations Oweesta Staff

President & Chief Executive Officer

Tracey Fischer
Cheyenne River Sioux Tribe (Lakota)

Chief Finance Officer

Angela Sharpe
Cherokee

Vice President of Programs & Operations

Tanya Fiddler
Cheyenne River Sioux Tribe (Lakota)

Director of Institution Development

William Guevara

Manager, Institution Development

Logan Anderson
Comanche Nation

Manager, Institution Development

Lisa Wagner

Program Specialist, Institution Development

Kalaua Del Rail
Tohono O'odham Nation

Director of Financial Education & Asset Building

Vickie Oldman-John
Navajo

Manager, Financial Education & Asset Building

Jaci Ree
Crow Creek Sioux Tribe (Lakota)

Program Specialist, Financial Education & Asset Building

Adrienne Brave Heart
Northern Cheyenne Tribe

Director of Enterprise and Entrepreneurship Development

Kellie Jewett
Cheyenne River Sioux Tribe (Lakota)

Program Specialist, Enterprise & Entrepreneurship Development

Kaitlin Cramer

Communications Manager

Heidi Davis

Finance Department

Onna LeBeau, Director of Lending & Reporting
Omaha Tribe

Staff Accountant

Mike Jackson
Oglala Sioux Tribe (Lakota)

Jr. Staff Accountant

Cathy Peck
Oglala Sioux Tribe (Lakota)

Administration & Payroll Manager

Sheila White Horse
Rosebud Sioux Tribe (Lakota)

Contracts Manager

Staci LaCroix
Oglala Sioux Tribe (Lakota)

Credits

First Nations Oweesta Corporation's 2009 Annual Report was prepared by the communications department with contributions from Oweesta staff members and outside contributors and vendors.

Editors

Vicky Stott

Copy Editors

Michael E. Roberts
Sarah EchoHawk Vermillion
Jon Panamaroff
Staci Lacroix

Copywriters

Heidi Davis
Michael E. Roberts
Contributing Photographers
First Nations Oweesta Grantees

Graphic Design & Printing

Brian W. Vermillion
Transit Marketing & Design



910 Fifth Street, Suite 101 • Rapid City, SD 57701 • Tel: 605.342.3770 • Fax: 605.342.3771

